

Notes for remarks by

Hon. Mike Duffy  
Senator, Cavendish PEI

28 October 2013  
(Check against delivery)

Honourable Senators:

I come here from hospital, where I have been undergoing cardiac tests. My doctors say the stress of this proceeding is toxic to my heart.

But despite their warning to stay away, I have no choice to be appear, considering the avalanche of untruths and character assassination with which I have been unfairly and viciously attacked by colleagues who should know better.

I listened with a mixture of sadness and incredulity to what has been said here in the last few days.

I thought the Government Leader Senator Carignan would have been careful in his accusations, -- especially considering the recent profile in the Globe and Mail, and the defamatory things being said about him in his home province of Quebec. He deserves the presumption of innocence, and so do we 3.

Sadly that isn't the case.

Hansard reports that at about 16:30 on October 23<sup>rd</sup>, Senator Carignan said:

“the rules of The Senate were violated repeatedly, with negligence and recklessness.”

What rules? When and how?

Does he not know that the PMO, speaking explicitly through Nigel Wright, and after checking into my expense claims, wrote me on Dec 4, 2012:

“Mike I am told you have complied with all of the applicable rules and there would be several Senators with similar arrangements.”

This was Dec 4, 2012 after I had been 4 full years as a Senator.

And this is in direct reference to all of the living allowance claims that Sen. Carignan says I broke the rules about. Recklessly.

And Nigel Wright wasn't alone.

On Dec 3, 2012, the day before Mr. Wright wrote that e-mail, Sen. David Tkachuk, the then Chair of the Board of Internal Economy, confirmed to the media that my expenses were entirely within the rules. He stated there was no reason for me not to claim the housing allowance in Ottawa.

Senator Carignan's wild unsubstantiated charge reminds me of the defamatory accusation made on May 28<sup>th</sup> at that infamous televised meeting of the Board of Internal Economy.

That rare televised meeting of the Board of Internal Economy was scheduled, after I had the temerity to tell the media on May 23<sup>rd</sup> that I wanted all of the facts to come out, in the proper place and time.

The PMO didn't like that!

Duffy wants to go public? We'll fix him.

So they scheduled a televised meeting of the Board of Internal Economy, knowing my lawyer was away, and then gave me 9 minutes notice that they had new evidence against me.

I stayed away from the ambush and watched TV to learn what they were talking about.

Without ever interviewing me, and contrary to the findings of the Independent auditor Deloitte, they concluded that I had engaged in “a pattern” of filing false expenses.

They called in the RCMP.

When I finally received a DVD containing the so called “evidence”, what did I discover?

They had sent the Mounties every expense claim I ever filed.

From Dec. 29, 2008 to August 12, 2013, that totalled 215 claims.

Senate Finance decreased 47 claims, saying I had overcharged. (A \$13.00 meal allowance here or a per diem there, that sort of thing.)

But they also increased 28 claims; saying I had not charged The Senate enough.

When you do the math; 215 claims over 4.5 years, I overcharged the Senate \$437.35 dollars! Which on 215 claims works out to \$2.03 a claim! And Senate Finance corrected these small errors.

This is the type of minor expense mistake made routinely in all Senate offices, and you know, with the complexity of the Senate expense form, that that is true. That's why the administration has since changed the expense forms.

Your staff send in the form and Senate Finance makes corrections and adjustments.

Not a penny remains owing from these minor adjustments which were all duly corrected and paid.

So let's get it straight. They accused me of a pattern submitting false expense claims. A grand total of \$2.03 per claim! And for this they defamed me on national TV?

I asked for a copy of all correspondence from Senate administration over that time, 4 and a half years, between me, my office and Senate administration. Did they ever write me and ask what's going on? Never! Not one word.

If this monstrous defamation had been made outside, I would have sued. But it was made in Committee where Senators are protected by Parliamentary privilege.

This was on May 28<sup>th</sup>.

The Board of Internal Economy met twice on that day. They met in secret in the morning. Were the 15 members of the Board told they were about to defame a colleague on TV over errors amounting to \$2.03 a claim?

I can't believe my colleagues on the Board would have participated in this hideous distortion of the truth, had they known the alleged crime was the price of a Tim's. \$2.03 per claim.

Small insignificant expense claims mistakes, we all immediately corrected.

I can only conclude this was a set up, planned by the Senate leadership; under the direction of the PMO; and designed to destroy my credibility with Canadians if and when I ever went public about the real story behind the \$90 thousand.

Given enormity of the May 28<sup>th</sup> allegations, should any Senator believe anything they're being told by the leadership today about the actions of Senators Wallin, Brazeau and me? What lies were they whispering this morning in caucus?



I know one thing. You can't trust this leadership to tell the truth, the whole truth and nothing but the truth.

Speaking of leadership. That was quite a performance by Senator LeBreton.

She smugly dismissed my revelations of conspiracy, bribery, threats and extortion.

It was a whopper. It's a whopper all right. Wait until Canadians see the e-mail trail in the hands of my lawyers and the RCMP.

Those emails among the PMO, their lawyers, including Ben Perrin, the Conservative Party's lawyer Arthur Hamilton, and my lawyer, prove this was a set-up from the start. That I am innocent.

The PM knew I wasn't guilty; Nigel Wright knew I wasn't guilty; the Senate leadership knew I wasn't guilty. Just look at the documentary evidence.

Nigel Wright worked the phones, coaxing me to go along with this plan. He even said he'd pay the \$90 thousand.

Not only that; but when I insisted on written guarantees that re-paying money I didn't owe would NOT be seen by The Senate as a guilty plea. He paid my lawyers legal fees!

That's right, the PMO had the Conservative Party's lawyer, Arthur Hamilton, pay for my lawyer. They paid \$13,560.00.

That's right, Senators, there was not ONE payment on my behalf, but two!

Contrary to the Prime Minister's assertion on CFRB last week that he ordered re-payment because Senate expense rules were in his words, "beyond the shadow of a doubt" broken; he had my legal bills paid fully. Why would he do that/

He would never do that if he believed my expense claims were improper. He did this, because as I've

said from the start, this was all part of his strategy, negotiated by his lawyers; and the Conservative Party's lawyers to make a political situation embarrassing to his base go away.

This cheque tells who's telling the truth and who is not.

Mike Duffy, the man they now claim is a cheat had more than \$13 thousand dollars in legal expenses paid by Arthur Hamilton, the Conservative party's lawyer from his firm Cassels Brock.

This is on top of the 90 thousand which they say came from Nigel Wright.

I've never seen a cheque from Nigel Wright. But I do have the cheque stub and transmittal letter from Arthur Hamilton, the Conservative Party's lawyer.

With Senate's permission, I'd like to table those documents now.

What more evidence do honourable Senators need?

The email trail among the highest levels in the PMO detailing the contract negotiations;

the links to the \$90 thousand dollar payment;

and now the further \$13,560.00 payment from the party lawyer to my lawyer shows this monstrous fraud was the PMO's creation from start to finish.

When you have an opportunity to read these emails, you will see the back and forth as the PMO lawyers checked with their principal on the language which would be used to direct the future actions of Senator LeBreton and others in the Conservative Senate leadership.

As a Senator, it saddens me to see that at one point, when Senator LeBreton tried to act independently, Nigel Wright wrote me, saying he was displeased by this freelancing by Senator LeBreton and her colleagues. His tone was:

Who did they think they are?

He ordered the Senate leadership and the Conservatives on the steering committee of the Board of Internal Economy to fall into line, and stop their unilateral action.

Are we independent Senators or PMO puppets?

When you read the documentation, you will see who was running this brutal campaign to destroy support among Canadians for a chamber of sober second thought.

Sen. LeBreton says she can't find the 2 page legal memo written on her behalf by her constitutional advisor.

This document is dated Jan 6, 2009, and sent to Senator Wallin and me before we were sworn-in.

In the memo, Senator LeBreton has her constitutional expert explain that the residency policy.

The memo says the Senate itself determines what constitutes residency, free entirely from definitions set out by other government departments or statutes.

That memo further explains that residency does not depend in any way on the number of days spent in one's home province or at a given residence.

I followed the advice in this memo; as did my staff when they filled in my housing allowance and expense forms under the guidance and supervision of the experts at Senate Finance.

I'd like to table that document as well.

So to recap.

I followed the rules as set out by Senator LeBreton's expert.

Four years in, December 3<sup>rd</sup>, Senator Tkachuk, then Chair of the Board of Internal Economy, confirmed to the media that I had followed the rules and was eligible for these allowances;

On December 4, 2012 Nigel Wright at the PMO checked and reported my claims were within the rules; and finally Deloitte confirmed that except for a clerical error on per diems, I had not broken the rules.

But there's more. Senator LeBreton tried to brush off my Feb. 13 meeting with the Prime Minister and Nigel Wright.

How can she speak to this? She wasn't there. She was never present during this meeting.

As I told you, last Wednesday, it was the Prime Minister, Nigel Wright and me. Just the 3 of us.

And this wasn't a casual encounter, as Senator LeBreton suggests.

The meeting was set up on Feb. 11th when I met with Nigel Wright in the Langevin Block. That's when I first heard about and immediately voiced my objections to, this fake pay-back scheme.

Last week I told Senators that at that meeting on Feb. 13<sup>th</sup>, the Prime Minister agreed that I had not broken the rules, but insisted I pay back money I didn't owe, because the Senate's rules are in his words, "inexplicable to our base."

It wasn't about ethics. It was all about politics, which explains why Arthur Hamilton was busy cutting cheques.

Have you heard enough? Wait, there's more.

Senator LeBreton, some Conservative MPs and the PMO spinners have been attacking me for saying I had gotten a loan at the RBC.

Some people have no shame. That line about RBC was part of the script written for me by the PMO.

On February 21<sup>st</sup>, after all of the threats and intimidation, I reluctantly agreed to go along with this dirty scheme.

The PMO spin machine went into high gear.



Cell phone and PMO telephone records from February will show there were numerous phone calls and emails to me, as the PMO developed their version of events; and rehearsed with me the lines I would use with the media.

Early in those discussions, the PMO team predicted the media would ask, “where did you get the \$90 thousand dollars?”

When they heard I had been using a line of credit to renovate my home in Cavendish, it was suggested I go to the RBC and borrow the cash to pay off that line of credit.

When the media ask; “where did you get the money to pay the \$90 thousand?”

The PMO told me to say; “My wife and I took out a loan at the Royal Bank.”

Well, that's technically correct. We took out a loan, but that loan wasn't to re-pay money - the \$90 thousand dollars the PMO agreed I didn't owe.

That line was written by the PMO to deceive Canadians as to the real source of the \$90 thousand dollars.

The millions of Canadians who voted for Prime Minister Harper, and the thousands of Tories gathering in Calgary would be shocked to see how some of these people operate.

They have no moral compass. Oh, they talk a great game about integrity. But in my experience they demonstrate every day they don't understand the meaning of phrase; "the truth, the whole truth, and nothing but the truth."

How sad to see this attack on this important branch of our Parliamentary system by people who are supposed to know something the Senate's role in our democracy.

So why am I, a Senator they agreed had followed the rules; and who foolishly played along with their nefarious plan, why am I being subjected to this unprecedented and arbitrary process of being suspended from The Senate?

In the private sector an employee can sue for wrongful dismissal. But not here in The Senate. The Senate, we are told is above the law.

Last week Senator Carignan said The Senate is a rights-free zone. I couldn't believe it. He actually said the Charter of Rights and Freedoms – the bedrock of our constitution -- does not apply to the Senate!

Talk about special status!

Do Canadians really think Senators should not be bound by the Charter of Rights?

Do they want their democracy run without respect for the rule of law and due process?

This assault on rights undermines Canadians' respect for their Parliament, and if it is not stopped, it would set a dangerous precedent.

As Conservatives, —we don't embrace changes in our system of government easily—we check it carefully—to make sure it is absolutely the right kind of change—and not just expedient change.

We remember and respect the Magna Carta that King JOHN signed 798 years ago.

We respect fundamental justice as set out in the Diefenbaker Bill of Rights, passed into law half a century ago.

So I ask you to stand up for fundamental justice and do not let this unjust motion pass.

Tell Senator Carignan he hasn't proven his case, or any case. Tell him this is a matter for the Justice system—and ensure with your vote, that justice prevails.

The government could end this by simply withdrawing this dangerous and anti-democratic motion.

Declare victory and go off to Calgary to celebrate the government's many substantial achievements for Canadians. Let due process proceed.

This is a case for the history books. Nigel Wright, Senator Tkachuk, and Deloitte all found me not guilty.

What will history say of you Honourable Senators after this vote?

Thank you.